

PID Procedures

Petition filing and public hearing

Step #	Type	Action	Discussion
1	Administrative	Date-stamp petition original + copy for petitioner; receive filing fee	Filing fee currently \$10,000; proposed to be changed to \$36,000 as of October 25, 2016
2	Administrative	File pdf version of petition provided by petitioner	
3	Administrative	Review petition to ensure it is complete	Staff has developed a checklist based on statute and County policy to use when petition is received that can be sent to developer if something is missing (see attachment)
4	Administrative	Complete PID Petition Checklist and send to petitioner	
5	Administrative	Deposit filing fee	
6	Administrative	Inform Commissioner in whose precinct the PID falls and County Judge's Office of petition filing	Send e-mail.
7	Administrative	If PID within corporate limits of city, inform City Manager, Mayor, Council Member in whose district the PID lies	Approved August 2, 2016
8	Administrative	If PID within city ETJ, inform City Manager, Mayor	Approved August 2, 2016
9	Administrative	Identify TC Subject Matter Expert (SME) team (affordable housing team, parks, trails, roads, development, planning, corporations, attorneys) and create contact list	
10	Administrative	Distribute petition and any supporting materials to team	
11	Administrative	Schedule work session to allow the Court to hear from developer, give feedback to the	Approved August 2, 2016

Step #	Type	Action	Discussion
		developer and give staff a first check-in regarding interest before moving forward with public hearing.	
12	Administrative	Work with legal counsel and Purchasing on public notice (metes and bounds, map)	
13	Administrative	Work with legal counsel on preparation of contribution agreement.	
14	Commissioners Court Action	Approve advertising public notice and setting public hearing	This approval serves as notice that Commissioners Court is interested in moving forward with due diligence work
15	Administrative	Submit original petition to County Clerk-Minutes for filing	
16	Administrative	Approve contribution agreement. Developer deposits \$25,000 to liability account created for specific PID to pay for public notices and due diligence work. Some of the services may be reimbursed by the PID assessments, but if PID bonds are never issued, the costs fall to the developer and not the county or Corporation.	
17	Administrative	Send public notice of PID hearing to overlapping jurisdictions as courtesy	
18	Administrative	Send public notice of PID hearing to all landowners within the PID	Required by statute
19	Administrative	Commissioners Court may hold public hearing then close it on the same day or leave it open, as allowed by statute, until action on the creation is taken	Approved August 2, 2016

Due Diligence for Creation of PID

Step #	Type	Action	Discussion
1	Administrative	Send PID petition and supporting documentation to overlapping jurisdictions and invite participation, review and comment on the PID	
2	Administrative	Set regular meetings for the discussion and negotiation of terms of agreements	A core team will be invited to each meeting. Some meetings will be issue-specific and include representatives of the overlapping jurisdictions.
3	Programmatic	County staff in consultation with market analysis expert and external subject matter experts conduct high level due diligence	Currently, a consultant is hired to conduct a high-level real estate market review of the assumptions used in the developer's feasibility study. Staff begins negotiations with partner agencies on improvements that impact those agencies. The Affordable Housing Policy Committee also prepares a report on housing affordability, opportunity, and fair housing.
4	Administrative	Prepare staff findings and resolution on advisability of creating the PID	Currently, staff findings are prepared based on the discussions with the petitioners and the high level due diligence conducted in step #3 above.
5	Commissioners Court Action	Adjourn public hearing and create the PID	Approved August 9, 2016
6	Programmatic	Assemble team (financial advisor, underwriter, bond counsel, third party administrator) to prepare the proposed assessment roll, five-year service and assessment plan, and all other agreements needed to move forward with the issuance of PID bonds.	

Detailed Due Diligence for the Issuance of Bonds

Step #	Type	Action	Discussion
1	Programmatic	Receive from petitioners a fair market value appraisal of property in the PID by an appraiser acceptable to the County, a market feasibility study, the method of assessment, a preliminary Service and Assessment Plan, a plan for administering and managing PID responsibilities including collection of assessments and preparation and updating of the Service and Assessment Plan and assessment roll, and any plan for phasing of both the real estate development supported by the PID and construction of public improvements in the development	<p>This must be done before the County will levy a PID assessment or authorize issuance of PID bonds.</p> <p>The County or Development Authority must be an authorized user on all third party reports.</p>
2	Programmatic	Prepare PID agreement	This must be done before the County will levy a PID assessment or authorize issuance of PID bonds.
3	Programmatic	Prepare and execute contracts for collection of PID assessments and Third Party administration and management of the PID	This must be done before the County will levy a PID assessment or authorize issuance of PID bonds.
4	Commissioners Court Action	Review and approve 5-year Service and Assessment Plan that defines annual indebtedness and the projected costs for improvements	
5	Commissioners Court Action	Review and approve the apportionment of cost of an improvement to be assessed against property in an improvement district by establishing reasonable classifications and formulas for the apportionment of the cost,	

Step #	Type	Action	Discussion
		methods of assessing the special benefits for various classes of improvements, and the amount of assessment for each property owner	
6	Programmatic	Prepare a proposed assessment roll that states the assessment against each parcel of land in the district.	
7	Commissioners Court Action	File the proposed assessment roll with the Tax Assessor-Collector's Office, subject to public inspection	
8	Tax Assessor-Collector's Office	Publish notice of the Commissioners Court's intention to consider the proposed assessments at a public hearing	
9	Administrative	Mail notice of public hearing to the owners of property liable for assessment	
10	Commissioners Court Action	Hold public hearing on proposed assessment roll, hear and pass on any objection to a proposed assessment (Commissioners Court may amend a proposed assessment on any parcel)	
11	Commissioners Court Action	Approve order levying the assessment as a special assessment on the property, specifying the method of payment of the assessment	
12	Commissioners Court Action	Approve interlocal agreement, MOU or other contract with the Tax Assessor-Collector's Office for the collection of the special assessment	
13	Commissioners Court Action	Approve PID agreement developed under step #2 above and any other agreements that may be required	

Step #	Type	Action	Discussion
14	Commissioners Court Action	Approve issuance of PID bonds	
15	Programmatic	Prepare affirmative marketing plan in response to fair housing review, notification plan to inform potential homebuyers of the PID and special assessment, and agreements with homebuilders, and lenders regarding allowing the special assessment to be escrowed like property taxes	

Management of PID

1	Development Authority Board Action	Prepare agreement with trustee to manage bond proceed disbursement and debt service payments	
2	Administrative	Manage Third Party Administrator contract to ensure appropriate oversight of monthly reimbursement of costs of construction of public improvements and preparation of annual Service and Assessment Plan, project updates, etc.	
3	Administrative	Develop post-issuance compliance procedures for PID bonds similar to those the County and/or Corporations apply to its general obligation, certificate of obligation, and conduit debt	

This is a living document and may change as needed.